

## Message Text

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ACTION XMB-04

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FM AMEMBASSY CARACAS

TO SECSTATE WASHDC IMMEDIATE 4767

C O N F I D E N T I A L CARACAS 11103

FOR EXIMBANK

E.O. 11652: GDS

TAGS: EFIN, VE

SUBJECT: VENEZUELA: BOEING JET FOIL SALE

REF: STATE 221045

BEGIN UNCLASSIFIED

1. SUMMARY-IN RESPONSE TO EXIMBANK QUERY FOR INFORMATION CONCERNING TWO VENEZUELAN PURCHASERS OF BOEING JET FOILS FOR TOURIST TRANSPORT, POST REPORTS THAT TRAFFIC BETWEEN MARGARITA ISLAND AND VENEZUELAN MAINLAND IS GOOD AND INCREASING RAPIDLY BUT THAT AVAILABLE EVIDENCE MAY NOT CLEARLY SHOW THAT THE TWO INTERLOCKING FIRMS HAVE RESOURCES SUFFICIENT TO JUSTIFY 18 MILLION DOLLAR LOAN.

2. CORPORACION DE AHORRO Y CREDITO PARA LA VIVIENDA (CORACREVI) IS CIVIL ASSOCIATION ESTABLISHED IN 1963 WITH REGISTERED CAPITAL OF BS. 1,165,000 (BS. 403,000 PAID IN). FIRM'S STOCK IS OWNED BY SEVERAL VENEZUELAN LABOR FEDERATIONS. CORACREVI'S PRESIDENT IS ELEAZAR PINTO, A NATIONAL DEPUTY FROM THE STATE OF ZULIA. HE IS MEMBER OF THE MAJORITY ACCION DEMOCRATICA PARTY WITH LONGSTANDING LABOR TIES. CORACREVI ACTS AS HOLDING COMPANY AND IS ENGAGED IN FINANCING

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SALE OF FAMILY DWELLINGS.

3. TURISMO MARGARITA (TURMAR) WAS REGISTERED AS CORPORATION IN NUEVA ESPARTA STATE IN 1968 AND IN CARACAS IN 1975. PAID-IN CAPITAL IS BS. 2,625,000. TURMAR PRESIDENT, KENNY ANTONIO DELGADO MATOS, OWNS 1,050 SHARES OF FIRM'S STOCK AND CORACREVI OWNS 1,575 SHARES. ELEAZAR PINTO BAQUERO IS VICE-PRESIDENT OF FIRM, WHICH IS PRESENTLY ENGAGED IN MARITIME PASSENGER TRANSPORT USING YACHTS. NO BALANCE SHEET FOR FIRM IS AVAILABLE. BANKING SOURCES REPORT FIRM HAS DEPOSIT ACCOUNT SHOWING GOOD ACTIVITY WITH BALANCES AVERAGING LOW FIVE FIGURES. NO CREDIT FACILITIES HAVE BEEN UTILIZED BY FIRM TO DATE.

4. CORPOTISMO (GOV AGENCY IN CHARGE OF TOURIST PROMOTION WITHIN VENEZUELA) FURNISHES FOLLOWING FIGURES ON TRAVEL BY FERRY TO MARGARITA ISLAND FROM TWO PRINCIPAL MAINLAND PORTS DURING 1975:

A. FROM CUMANA TO MARGARITA 97,324 PASSENGERS.

B. FROM PUERTO LA CRUZ TO MARGARITA 618,365 PASSENGERS.

5. CORPOTURISMO ESTIMATES TRAFFIC FROM CUMANA WILL INCREASE BY 7.6 PERCENT IN 1976 AND TRAFFIC FROM PUERTO LA CRUZ WILL INCREASE BY 43.89 PERCENT. DEVELOPMENT OF MARGARITA AS A FREE PORT HAS MADE THE ISLAND AN EXTREMELY POPULAR VACATION SPOT FOR VENEZUELAN WISHING TO PURCHASE CLOTHING, LIQUOR AND CONSUMER GOODS AT LOWER-THAN-MAINLAND PRICES. END UNCLASSIFIED

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6. DURING 1972 AND 1973, CORACREVI WAS SUED FOR VARYING AMOUNTS. HIGHEST SUIT WAS FOR BS 83,450. ALL WERE SETTLED. LOCAL PRESS, "ULTIMAS NOTICIAS", REPORTED IN 1973 THAT 50 LEGAL ACTIONS HAD BEEN FILED IN CIVIL COURT AGAINST PINTO CHARGING THAT HE RECEIVED KICKBACKS ON APARTMENTS SOLD BY CORACREVI. CONFIDENTIAL

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PAPER ALSO STATED THAT PINTO HAD BEEN ACCUSED OF USURY. THERE IS NO CONFIRMATION OF THESE CHARGES.

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7. CORACREVI WAS THE RECIPIENT OF AN AID OR IDB

HOUSING LOAN WITH AN AFL-CIO GUARANTEE A NUMBER OF YEARS AGO. CORACREVI FELL BEHIND ON ITS PAYMENTS FOR A PERIOD IN THE EARLY 1970S. RUMOR HAD IT THAT PINTO USED THE MONEY DESTINED TO PAY BACK THE LOAN FOR PRIVATE CURRENCY SPECULATION IN DEUTCH MARKS AND SWISS FRANCS. THE LOAN WAS EVENTUALLY BROUGHT BACK UP TO DATE AND IS NOW BEING REPAID ON A TIMELY BASIS.

8. EMBASSY HAS ASSISTED IN PROMOTION OF BOEING EQUIPMENT IN VENEZUELA. FIRM HAS BEEN NOTIFIED DIRECTLY BY POST THAT EXIMBANK LOAN MAY NOT GO THROUGH (NO DETAILS GIVEN) AND BOEING IS PREPARED TO DEVELOP ALTERNATE FINANCING FOR THIS SALE. EXIM PLEASE PASS CONTENTS PARAGRAPHS 1 THROUGH 5 TO BOEING IMMEDIATELY AS CONTRACT IS NOW BEING SIGNED WITH CORACREVI/TURMAR. CONTENTS TO BE TRANSMITTED DIRECTLY TO EITHER: MR. ED BOND, BOEING REGIONAL OFFICE, WASHINGTON D.C., TELEPHONE 484-2226 OR TO MR. BORIS MISHEL, BOEING HEADQUARTERS, SEATTLE, WASHINGTON, TELEPHONE (206) 237-1645.

9. DESPITE FACT THAT LOU PORTIONS THIS MESSAGE ARE MATTER OF PUBLIC RECORD, BECAUSE OF POLITICAL RAMIFICATIONS OF REFUSAL OF EXIMBANK LOAN TO THIS GROUP, IT IS IMPERATIVE THAT EMBASSY NOT BE IDENTIFIED IN VENEZUELA AS SOURCE OF DEROGATORY INFORMATION CONCERNING THIS FIRM AND ESPECIALLY AD DEPUTY PINTO. LOU AND CONFIDENTIAL PORTIONS OF CABLE SHOULD NOT BE PASSED TO BOEING. CONFIDENTIAL INFORMATION RECEIVED VERBALLY FROM PROTECTED SOURCE. END CONFIDENTIAL  
VAKY

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## Message Attributes

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